

# In Nigeria, Demand for Seafood Is High



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**N**igeria, slightly more than twice the size of California, is a western African country in transition. Following nearly 16 years of military rule, Nigeria adopted a new constitution in 1999 and made a peaceful transition to civilian government.

Now the country is rebuilding a petroleum-based economy whose revenues historically have been squandered through corruption and mismanagement. Democracy is in its early stages, and long-standing ethnic and religious tensions are starting to be diffused.

## The Market for Seafood

Per capita annual income is only \$350, and inexpensive foods are in high demand. Compared to poultry and beef, some seafood varieties are lower priced. Seafood is an important low-cost protein source and used in many local dishes. As a result, Nigeria has become a major destination for imported seafood.

With a population of more than 120 million people and a tariff reduction on seafood products from 25 to 5 percent, the Nigerian seafood market is hot. The tariff of 5 percent is not expected to change in the near future. Currently, the EU (European Union) supplies more than 70 percent of Nigeria's seafood demands, while the U.S. share is only 1 percent.

But because Nigeria's domestic fishing industry only supplies 10 percent of the market, outlets are continually looking for low-cost, high-quality products. The opportunity for U.S. seafood suppliers is there.

For Nigerians, fish is an affordable source of protein, and the most popular imported species include croaker, herring, mackerel and catfish. Mackerel fills 65 percent of the domestic market and is preferred by most Nigerians. A current ban on imported poultry has made fish even more popular.

About 96 percent of fish sales occur at open stall markets, with the remainder going to hotels and restaurants to supply the growing tourism industry. Prices in these open stalls are usually 20-30 percent lower because of minimal overhead costs than in convenience stores and supermarkets. In these markets, customers and vendors often negotiate prices on the spot.

In order to meet growing demand, the Nigerian aquaculture industry is growing. Tilapia and catfish are the primary species produced at domestic fish farms, but it will be quite some time before production can match consumer demand.

Seafood is available frozen in city markets, and also smoked for rural village markets. Frozen seafood imports are widely distributed in Nigeria through a network of privately owned cold storage warehouses located in major cities.

## Getting In

In order to break into the thriving Nigerian seafood market, U.S. suppliers must adopt strategies and tactics that are effective for selling to the Nigerian population.

Selecting a good local import agent is crucial. This agent can facilitate health and customs clearance and also introduce the product and develop consumer demand. It is also important for U.S. suppliers to offer flexible shipping volumes and competitive shipping rates. Remember, Nigerians usually buy small quantities for that day's consumption.

The annual International Boston Seafood Show always attracts a good contingent of Nigerian seafood buyers. The next show will be held March 14-16, 2004.

## Regulatory Requirements

The fisheries unit of Nigeria's Department of Agriculture regulates all seafood imports. All fish imports are inspected by an appointed Nigerian government agent in the country of origin and at the Nigerian port of entry.

Documentation requirements include certificates of origin and hygiene. In addition, the importer must show proof of ownership of efficient cold storage and trucking facilities. Licenses are issued per import purchase and shipment. Labels must contain the consignee's mark and port mark and all containers must be numbered to correspond with the numbers on the invoice.

Imported frozen seafood products are usually shipped to Apapa-Lagos, Port Harcourt and Warri, where they are inspected and passed through customs. After clearance, shipments are transported in refrigerated trucks to cold storage warehouses in Lagos and other urban areas. ■

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